

File: CONSTRUCTION COSTS:

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Building Cost Index Rose Sharply in Three Months

By a WALL STREET JOURNAL Staff Reporter

CLEVELAND—Austin Co., an international engineering and construction concern, said its index of industrial building costs rose eight points during the summer quarter to 301. The index uses the year 1926 as a base of 100.

The increase reflects rising costs of basic construction materials and manpower shortages, the company said. The index has risen approximately 8.3% in the most recent 12 months.

Harold A. Anderson, president and general manager, said costs have been pushed upward by several factors, including limited availability of qualified manpower in the face of a volume of work still mounting on the boards, rising costs of construction materials, and some delays in the delivery of materials and equipment.

"While some material prices, such as lumber and masonry, remained relatively stable during the period, steel and most mechanical, electrical and fire protection components increased in varying de-